

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS**

BOSSIER CITY, LOUISIANA

FINANCIAL STATEMENTS

DECEMBER 31, 2013

**Marsha O. Millican
Certified Public Accountant
Shreveport, Louisiana**

CADDO-BOSSIER OFFICE OF EMERGENCY PREPAREDNESS
BOSSIER CITY, LOUISIANA

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Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

Independent Auditor's Report

To the Executive Council
Caddo- Bossier Homeland Security
and Emergency Preparedness
Bossier City, Louisiana

Report on the Financial Statements

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caddo-Bossier Office of Homeland Security and Emergency Preparedness, as of and for the year ended December 31, 2013, and the related notes to the financial statements, which collectively comprise the Office's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Caddo-Bossier Office of Homeland Security and Emergency Preparedness, as of December 31, 2013, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that management's discussion and analysis on pages 3-4 and the budgetary information on page 16 be presented to supplement the basic financial statements. Such information is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued my report dated December 15, 2014 on my consideration of Caddo-Bossier Office of Homeland Security and Emergency Preparedness's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Caddo-Bossier Office of Homeland Security and Emergency Preparedness's internal control over financial reporting and compliance.



Certified Public Accountant
December 15, 2014

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS

MANAGEMENT'S DISCUSSION AND ANALYSIS

The purpose of Management's discussion and analysis (MD&A) is to provide an overview of the financial activities of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness office based on currently known facts, decisions or conditions.

The basic financial statements include government-wide and government fund statements. The government-wide Statement of Net Position and Statement of Activities present information for all the activities of the Caddo-Bossier Office of Homeland Security Emergency Preparedness office from an economic resources measurement focus using the accrual basis of accounting. Primarily for our office the difference between these statements and Governmental Funds statements is that assets are capitalized and depreciated over their estimated useful life versus expensed in the Governmental Funds statements.

The office at December 31, 2013 had \$100,963 in cash on hand and net capital assets of \$522,264 with total assets being \$630,947, a decrease of \$288,327 over December 31, 2012. This office is debt free other than normal trade payables.

	2013
Current assets	\$ 108,683
Capital assets	522,264
Total assets	630,947
Current liabilities	25,600
Total liabilities	25,600
Net Assets	
Invested in capital assets	522,264
Restricted	19,243
Unrestricted	193,086
Total net assets	\$ 605,347

The revenues from operational grants and appropriations decreased \$671,649 over the prior year primarily resulting from less pass through grants. Revenue from one time and special grants will vary from year to year. Total operational expenses excluding capital outlays and depreciation decreased \$ 381,279 over the prior year.

	<u>Governmental Activities</u>
	<u>2013</u>
Revenues	
Program Revenues	
Grants & Appropriations	\$ 891,596
General Revenues	
Interest	<u>629</u>
Total Revenues	<u>892,225</u>
Expenses	
Public Safety	<u>1,069,021</u>
Total Expenses	<u>1,069,021</u>
Change in fund balance	<u><u>\$ (176,796)</u></u>

Capital outlays totaled \$13,218 with \$5,146 coming from grant funds.

The adopted general fund budget was not amended during the year and revenues failed to meet budgeted amounts by \$117,191. Actual expenditures were \$199,753 less than budgeted.

Effective July 1, 2014, the Caddo-Bossier Office of Homeland Security and Emergency Preparedness split into two separate offices – The Bossier Parish Office of Homeland Security and Emergency Preparedness and the Caddo Parish Office of Homeland Security and Emergency Preparedness.. If you have any questions about this report, contact the Caddo Homeland Security and Office of Emergency Preparedness at (318) 675-2255.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
STATEMENT OF NET POSITION

DECEMBER 31, 2013

ASSETS

Cash	100,963
Accounts receivable grants - Note 4	7,720
Capital assets, net of accumulated depreciation - Note 5	<u>522,264</u>
 Total assets	 <u>630,947</u>
 Deferred outflows of resources	 <u>-</u>

LIABILITIES

Accounts payable	10,860
Accrued expenses	<u>14,740</u>
 Total liabilities	 <u>25,600</u>
 Deferred inflows of resources	 <u>-</u>
 Net position	
Invested in capital assets, net of related debt	522,264
Unrestricted	<u>83,083</u>
 Total net position	 <u><u>605,347</u></u>

The accompanying notes are an integral part of this financial statement.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED DECEMBER 31, 2013

		Program Revenues		Net (Expense)
		Operating	Capital Grants	Revenue and
		Grants and	and	Changes in Net
	Expenses	Contributions	Contributions	Position
Functions/Programs				Governmental
				Activities
Government activities:				
Public Safety	1,069,021	891,596	-	(177,425)
Total	<u>1,069,021</u>	<u>891,596</u>	<u>-</u>	<u>(177,425)</u>
General Revenues:				
				629
Investment earnings				
Total general revenues				<u>629</u>
Change in net position				(176,796)
Net position-beginning,				<u>782,143</u>
Net position-ending				<u><u>605,347</u></u>

The accompanying notes are an integral part of this financial statement.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
GOVERNMENTAL FUNDS BALANCE SHEET
DECEMBER 31, 2013

ASSETS

Cash	100,963
Accounts receivable grants - Note 4	7,720
Prepaid expenses	<u>-</u>
Total assets	<u><u>108,683</u></u>

LIABILITIES AND FUND BALANCES

Liabilities	
Accounts payable	10,860
Accrued expenses	<u>471</u>
Total Liabilities	<u><u>11,331</u></u>

Fund balances	
Nonspendable	
Prepaid expenses	-
Assigned	-
Unassigned	<u>97,352</u>
Total fund balances	<u><u>97,352</u></u>

Total liabilities and fund balance	<u><u>108,683</u></u>
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Amounts reported for *governmental activities* in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and are not reported in the fund financial statements	522,264
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Liabilities for compensated absences are not reported in governmental funds	<u>(14,269)</u>
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Net position of governmental activities	<u><u>605,347</u></u>
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The accompanying notes are an integral part of this financial statement.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
GOVERNMENTAL FUNDS REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2013

	General Fund	Homeland Security Grant Program	MMRS Grant Program	Other Governmental Funds	Total Governmental Funds
<u>REVENUES</u>					
Intergovernmental revenues:					
Federal grants	81,726	262,635	121,561	-	465,922
State grants					-
Local grants	425,674				425,674
Investment earnings	629				629
Total revenues	<u>508,029</u>	<u>262,635</u>	<u>121,561</u>	<u>-</u>	<u>892,225</u>
<u>EXPENDITURES</u>					
Public Safety:					
Personnel	396,821	17,696	37,459	-	451,976
Grants paid	-	239,793	-	-	239,793
Insurance	6,949	-	4,118	-	11,067
Public affairs	-	-	-	-	-
Warning and communication	45,204	-	71,931	-	117,135
Office expense	4,597	-	-	-	4,597
Dues and publications	1,115	-	-	-	1,115
Travel	2,220	-	-	-	2,220
Employee retirement	38,551	-	4,926	-	43,477
Maintenance	29,341	-	-	-	29,341
Supplies	3,863	-	-	-	3,863
Telephone	15,068	-	349	-	15,417
Training and education	2,885	-	-	-	2,885
Professional services	12,766	-	-	-	12,766
Disaster expenses	474	-	-	-	474
Miscellaneous	29	-	2,778	-	2,807
Capital outlays	8,072	5,146	-	-	13,218
Total expenditures	<u>567,955</u>	<u>262,635</u>	<u>121,561</u>	<u>-</u>	<u>952,151</u>
<u>EXCESS OF REVENUES OVER EXPENDITURES</u>	(59,926)	-	-	-	(59,926)
<u>FUND BALANCE-BEGINNING</u>	157,278	-	-	-	157,278
<u>FUND BALANCE-END</u>	97,352	-	-	-	97,352

Amounts reported for *governmental activities* in the statement of activities are different because:

Excess of revenues over expenditures	(59,947)
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated lives are reported as depreciation expense.	
Capital outlays	13,218
Depreciation expense	(137,691)
Change in compensated absences are not included in government funds	7,624
Change in net position of governmental activities	<u>(176,796)</u>

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2011**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PRESENTATION

The accompanying financial statements of the Caddo-Bossier Office of Homeland Security and Emergency Preparedness have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. This office does not use encumbrance accounting. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

B. FINANCIAL REPORTING ENTITY

The Caddo-Bossier Office of Homeland Security and Emergency Preparedness is an independent agency governed by a four-member Board. The Board consists of the mayors of Shreveport and Bossier City and the presidents of the Caddo Parish Commission and the Bossier Parish Police Jury. The agency operates autonomously from these four governmental units. It controls hiring and retention of employees; has authority over its own budgeting; is responsible for its deficits; and collects and disburses its own funds. Therefore, the agency reports as an independent reporting entity.

C. GOVERNMENT-WIDE ACCOUNTING

In accordance with Governmental Accounting Standards No. 34, the Caddo-Bossier Office of Emergency Preparedness has presented a Statement of Net Position and Statement of Activities. This office has no component units. Fiduciary funds are reported separately when applicable. Government-wide accounting is designed to provide a more comprehensive view of the government's operations and financial position as a single economic entity.

Policies specific to the Statement of Net Position and Statement of Activities are as follows:

Application of FASB Statements and Interpretations

Reporting on governmental-type activities are based on FASB Statements and interpretations issued after November 30, 1989, except where they conflict or contradict GASB pronouncements.

Capitalizing Assets

Tangible and/or intangible assets used in operations with initial useful life that extends beyond one year and a cost of at least \$100 are capitalized. Capital assets are recorded at their historical cost and are depreciated using the straight-line method of depreciation over their estimated useful lives. They are reported net of accumulated depreciation on the Statement of Net Assets. This office does not own any infrastructure assets. Vehicles are

depreciated with a useful life of four years. Furniture and equipment estimated lives vary from five to twelve years. Building improvements are estimated at twenty-five.

D. FUND ACCOUNTING

The Agency uses funds to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. Funds of the agency are all classified as Governmental Funds. Governmental funds account for the Agency's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds of the Agency include:

General Fund – The general operating fund of the district and accounts for all financial resources, except those required to be accounted for in other funds.

E. BASIS OF ACCOUNTING

The accounting and financial reporting treatment applied to a fund is determined by the type of financial statement presentation.

The Statement of Net Position and Statement of Activities are reported using an economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and liabilities associated with the operation of governmental-type activities are included in the Statement of Net Position. Revenues are recognized when earned, and expenses are recognized at the time the liabilities are incurred in the Statement of Activities. In these statements, capital assets are reported and depreciated in the fund.

The governmental funds are reported using a current financial resources measurement focus and the modified accrual basis of accounting. With this measurement focus, only current assets and current liabilities are generally included on the balance sheet. Revenues are recognized in the accounting period in which they become both measurable and available to finance expenditures of the fiscal period. Available means collected within the current year or expected to be collected within 60 days following year-end. All revenue sources met this criterion. Operating statements of these funds present increases and decreases in net current assets. Expenditures for capital assets are reported as current expense, and such assets are not depreciated.

F. BUDGETS

The Agency uses the following budget practices:

1. Budgets are prepared on the modified accrual basis of accounting and were adopted for the General Fund for 2013.
2. The Agency's Executive Director prepares the proposed budget and submits it to the Chairman of the Board no later than fifteen days prior to the beginning of each fiscal year.
3. The Board adopts the budget by majority vote.
4. Budgetary amendments are made by the Executive Director and do not require approval of the Board.
5. All budgetary appropriations lapse at year-end.
6. Formal budgetary integration is not employed; however, periodic budget comparisons are made as a part of interim reporting. Budgeted amounts included in the accompanying financial statements include the originally adopted budget amounts and all subsequent budget amendments.

G. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is generally used in governmental funds. Based on the size of the accounts and the methods utilized for payments, the Agency does not employ encumbrance accounting.

H. CASH AND CASH EQUIVALENTS

Cash includes amounts in demand deposits, interest-bearing demand deposits, and time deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Agency may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under the laws of the United States.

I. INVESTMENTS

Investments are limited by Louisiana Revised Statute (R.S.) 33:2955 and the Agency's investment policy. If the original maturities of investments exceed 90 days, they are classified as investments; however, if the original maturities are 90 days or less, they are classified as cash equivalents.

J. USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

K. COMPENSATED ABSENCES

Vested or accumulated vacation leave is reported as an expenditure/expense and a liability of the governmental when earned.

L. NET POSITION/FUND BALANCES

In the Statement of Net Position, the difference between a government's assets and liabilities is recorded as net assets. The three components of net assets are as follows:

Government fund equity is classified as fund balance. Beginning with fiscal year 2010, the Council's management implemented GASB Statement 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government's fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used.

1. Nondspendable: This classification includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. Management has classified prepaid expenditures as being nondspendable as this item is not expected to be converted to cash.
2. Restricted: This classification includes amounts for which constraints have been placed on the use of resources are either (a) externally imposed by creditors (such as through debt covenants), contributors, or laws or regulations of other governments, or (b) imposed by law through constitutional provisions or enabling legislation.

Management has classified fund balance for utility assistance as being restricted due to the constraints placed on the use of money contributed by the general public.

2. CASH AND CASH EQUIVALENTS

The Office of Emergency Preparedness classifies demand and time deposits as cash. The collected balances of the deposits with financial institutions at December 31, 2013 were \$104,632 and were collateralized as follows:

Amount insured by FDIC	\$104,362
Amount collateralized with securities, held by pledging financial institution's trust department in the agency's name (GASB Category 3)	-
Total collateral	<u>\$104,362</u>

These deposits are stated at cost, which approximates market. Book value of deposits differs from collected balances and equals \$100,963. Under state law, these deposits must be secured by federal deposit insurance or the pledge of the securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank that is mutually acceptable to both parties.

Even though pledged securities are considered uncollateralized under the provisions of GASB Statement No. 3, Louisiana Revised Statute 39:1229 imposes a statutory requirement on the custodial bank to advertise and sell the pledged securities within 10 days of being notified by the Agency that the fiscal agent has failed to pay deposited funds upon demand.

3. RECEIVABLES

The following is a summary of receivables at December 31, 2013:

Louisiana Office of Homeland Security	<u>\$7,720</u>
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4. CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2013 is as follows:

<u>Assets at Cost</u>	Balance			Balance
Description	1/1/2013	Additions	Retirements	12/31/2013
Equipment	\$1,252,111	\$13,218	-	\$1,265,329
Building Imp	171,255	-		171,255
Vehicles	162,213	-	-	162,213
Totals	<u>\$1,585,579</u>	<u>13,218</u>	<u>-</u>	<u>1,598,797</u>
<u>Accumulated Depreciation</u>				
Equipment	747,686	124,086	-	871,772
Building Imp	60,592	7,655		68,247
Vehicles	130,564	5,950	-	136,514
Totals	<u>938,842</u>	<u>137,691</u>	<u>-</u>	<u>1,076,533</u>
Net capital assets	<u>\$646,737</u>	<u>\$ (124,473)</u>	<u>\$ -</u>	<u>\$522,264</u>

5. PENSION PLAN

Plan Description – The agency covers its full time permanent employees with the City of Shreveport Employees Retirement System. The System is independent of the Caddo-Bossier Office of Emergency Preparedness. The City of Shreveport Employees Retirement System (City Plan) is a cost sharing multiple employer defined benefit pension plan, which is administered by the City of Shreveport.

To be eligible for retirement benefits, employees must have 30 years of service regardless of age, or be age 65 and have 10 years of service and if hired before January 1, 1979 be 55 years of age with 20 years of service. Employees hired after January 1, 1979, may retire at age 55 with 25 years of service or age 60 with 20 years of service. Disability retirement requires 5 years or more of creditable service in order for an employee to be eligible to receive benefits. Death benefit requirements specify that an employee must have been in active service with 10 or more years of creditable service in the Retirement System. Employees become vested in the system after 10 years of creditable service.

Shreveport City Ordinance establishes benefit provisions. Benefits available to employees hired before January 1, 1996, consist of an annuity, which is the actuarial equivalent of the employee's accumulated contributions; plus annual pension, which together with the annuity, provides total retirement allowance equal to 3 percent of average compensation times years of creditable service. Beginning January 1, 1996, the retirement allowance was increased to 3 1/3 percent of average compensation times years of creditable service for 1996 and future years of service. For a service retirement benefit prior to age 65 with less than 20 but more than 10 years of service, the benefit is reduced by 1/4 percent for each month below age 65.

If a member dies after retirement and leaves a surviving spouse to whom he/she had been married for at least one year immediately preceding death, such spouse receives 50 percent of the member's retirement for the rest of his/her life. A disability benefit is available if a member is unable to engage in any substantial, gainful activity by reason of medically determined physical or mental impairment, which is likely to be permanent. The Deferred Retirement Option Plan allows members who have met eligibility requirements to defer receipt of benefits until termination at which time the participant will be eligible to receive the deferred benefits.

The City of Shreveport issues an annual publicly available financial report that includes financial statements and required supplementary information. Readers are referred to the Notes to the General Purpose Financial Statements contained in the Comprehensive Annual Financial Report of the City of Shreveport for the year ended December 31, 2013.

Funding Policy - Covered employees are required to contribute 9 percent of their salary to the City Plan while the employer is required to contribute 13.15 percent of the covered employees' salaries. The Shreveport City Ordinance establishes the employer and employee contribution obligations. City of Shreveport Ordinance may amend employee or employer contributions. Employer contributions to the plan were \$43,477 on covered payroll of \$330,624.

Caddo Bossier Office of Emergency Preparedness does not guarantee any of the benefits granted under the plan.

6. COMPENSATED ABSENCES

Full time employees may earn from one hundred thirty to two hundred twenty-five hours of annual leave and sick leave per year depending on their length of service. Upon separation of service, employees may be paid for annual leave up to five hundred hours. Employees are not paid for accrued sick leave upon separation of service, but accrued sick leave may be applied against total employment years at retirement. The amount of accrued leave at December 31, 2013 was \$14,269 and is included as a liability of the general fund and statement of net position.

7. RISK MANAGEMENT

The agency covers its risks of loss through the purchase of commercial insurance. operations do not expose the agency to any significant risks.

8. SUBSEQUENT EVENTS

Effective July 1, 2014, the Caddo-Bossier Office of Homeland Security and Emergency Preparedness was split into two separate offices – the Bossier Parish Office of Homeland Security and Emergency Preparedness and the Caddo Parish Office of Homeland Security and Emergency Preparedness.

CADDO-BOSSIER OFFICE OF HOMELAND SECURITY
AND EMERGENCY PREPAREDNESS
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED DECEMBER 31, 2013

	<u>Budget (1)</u>	<u>Actual</u>	<u>Variance</u>
<u>REVENUES</u>			
Intergovernmental revenues:			
Federal Grants	248,714	81,726	(166,988)
Local Grants	374,006	425,674	51,668
Interest	2,500	629	(1,871)
Total revenues	<u>625,220</u>	<u>508,029</u>	<u>(117,191)</u>
<u>EXPENDITURES</u>			
Public Safety:			
Personnel	483,752	396,821	86,931
Insurance	21,000	6,949	14,051
Public affairs	500	-	500
Office expense	10,000	4,597	5,403
Dues and publications	1,600	1,115	485
Warning and communication	88,116	45,204	42,912
Travel	4,000	2,220	1,780
Employee retirement	48,240	38,551	9,689
Maintenance	25,000	29,341	(4,341)
Supplies	30,000	3,863	26,137
Telephone	34,000	15,068	18,932
Training and education	4,000	2,885	1,115
Professional services	15,000	12,766	2,234
Disaster expenses	2,500	474	2,026
Miscellaneous	-	29	(29)
Capital outlays	-	8,072	(8,072)
Total expenditures	<u>767,708</u>	<u>567,955</u>	<u>199,753</u>
<u>EXCESS OF REVENUES</u>			
<u>OVER (UNDER) EXPENDITURES</u>	(142,488)	(59,926)	82,562
<u>FUND BALANCE-BEGINNING OF YEAR</u>	<u>157,278</u>	<u>157,278</u>	<u>-</u>
<u>FUND BALANCE-END OF YEAR</u>	<u>14,790</u>	<u>97,352</u>	<u>82,562</u>

(1) Modified accrual basis of accounting.



Marsha O. Millican

A PROFESSIONAL ACCOUNTING CORPORATION

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

The Executive Council
Caddo-Bossier Office of Homeland Security
and Emergency Preparedness
Bossier City, Louisiana

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Caddo-Bossier Office of Homeland Security and Emergency Preparedness as of December 31, 2013, and related notes to the financial statements, which collectively comprise the Caddo-Bossier Office of Homeland Security and Emergency Preparedness's basic financial statements, and have issued my report thereon dated December 15, 2014.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered Caddo-Bossier Office of Homeland Security and Emergency Preparedness's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, I do not express an opinion on the effectiveness of the Office's internal control over financial reporting.

A deficiency in internal control exists when the design or operation a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Office's financial statements will not be prevented, or detected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during my audit, I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

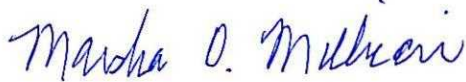
As part of obtaining reasonable assurance about whether Caddo-Bossier Office of Homeland Security and Emergency Preparedness's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However,

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providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are reported in the accompanying Schedule of Findings as Finding# 2013-1 and Finding#2013-2.

Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Although the intended use of this report may be limited, under Louisiana Revised Statutes, it is issued by the Legislative Auditor as a public document.



Certified Public Accountant
December 15, 2014

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY AND EMERGENCY
PREPAREDNESS**

SCHEDULE OF FINDINGS

Year Ended December 31, 2013

1. The auditor's report expresses an unqualified opinion on the financial statements.
2. No significant deficiencies in internal accounting control were disclosed during the audit.
3. Two instances of noncompliance material to the financial statements were disclosed during the audit.

FINDING 2013-1:

Condition: The Caddo-Bossier Office of Homeland Security and Emergency Preparedness did not file its financial statements within the time frame required by State law.

Cause: On July 1, 2014, the Caddo-Bossier Office of Homeland Security and Emergency Preparedness was split into two separate organizations - the Bossier Parish Office of Homeland Security and Emergency Preparedness and the Caddo Parish Office of Homeland Preparedness. More time was required to separate the Office into two new entities.

Recommendation: I recommend the Office comply with state law.

Management's Corrective Action Taken: We agree with the finding. We will comply with state law in the future.

FINDING 2013-2:

The Caddo-Bossier Office of Homeland Security and Emergency Preparedness is not in compliance with the Local Government Budget Act.

Condition: Total revenues were less than budgeted amounts by 5% or more. The budget was not amended.

Cause: Oversight by management.

Effect: The Office is not in compliance with state law.

Recommendation: I recommend Caddo-Bossier Office of Homeland Security and Emergency Preparedness comply with the Local Government Budget Act.

Management's Response and Corrective Action Plan:

We agree with the finding. We will comply with the Local Government Budget Act law in the future.

**CADDO-BOSSIER OFFICE OF HOMELAND SECURITY AND EMERGENCY
PREPAREDNESS**

SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 31, 2013

FINDING 2012-1:

The Caddo-Bossier Office of Homeland Security and Emergency Preparedness did not file its financial statements within the time frame required by State law.

Status: Unresolved.

FINDING 2012-2:

The Caddo-Bossier Office of Homeland Security and Emergency Preparedness is not in compliance with the Local Government Budget Act.

Status: Unresolved.